



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB2593

Introduced 1/21/2010, by Sen. William Delgado

SYNOPSIS AS INTRODUCED:

30 ILCS 105/5.650	
30 ILCS 105/5.755 new	
30 ILCS 105/5.756 new	
210 ILCS 5/5	from Ch. 111 1/2, par. 157-8.5
210 ILCS 5/6	from Ch. 111 1/2, par. 157-8.6
210 ILCS 5/12.5 new	
210 ILCS 55/4	from Ch. 111 1/2, par. 2804
210 ILCS 55/10.05	
210 ILCS 85/5	from Ch. 111 1/2, par. 146
210 ILCS 85/6	from Ch. 111 1/2, par. 147
210 ILCS 85/14.5 new	

Amends the Ambulatory Surgical Treatment Center Act, the Home Health, Home Services, and Home Nursing Agency Licensing Act, the Hospital Licensing Act, and the State Finance Act. Increases the licensure fee to \$1500 for ambulatory surgical treatment centers and home health agencies. Establishes a \$50 licensure fee per bed for hospitals applying for a license. Changes the name of the Home Care Services Agency Licensure Fund to the Home Health, Health Services, and Home Nursing Agency Licensure Fund. Creates the Ambulatory Surgical Treatment Center Fund and the Hospital Licensure Fund. Effective immediately.

LRB096 17112 KTG 32436 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The State Finance Act is amended by changing
5 Section 5.650 and adding Sections 5.755 and 5.756 as follows:

6 (30 ILCS 105/5.650)

7 Sec. 5.650. The Home Health, Health Services, and Home
8 Nursing Agency Licensure Fund ~~Home Care Services Agency~~
9 ~~Licensure Fund.~~

10 (Source: P.A. 94-379, eff. 1-1-06.)

11 (30 ILCS 105/5.755 new)

12 Sec. 5.755. The Ambulatory Surgical Treatment Center Fund.

13 (30 ILCS 105/5.756 new)

14 Sec. 5.756. The Hospital Licensure Fund.

15 Section 10. The Ambulatory Surgical Treatment Center Act is
16 amended by changing Sections 5 and 6 and by adding Section 12.5
17 as follows:

18 (210 ILCS 5/5) (from Ch. 111 1/2, par. 157-8.5)

19 Sec. 5. An application for a license to operate an

1 ambulatory surgical treatment center shall be made to the
2 Department upon forms provided by it and shall contain such
3 information as the Department reasonably requires, which may
4 include affirmative evidence of ability to comply with the
5 provisions of this Act and the standards, rules and
6 regulations, promulgated by virtue thereof.

7 All applications required under this Section shall be
8 signed by the applicant, verified, and accompanied by a license
9 fee of \$1500 ~~\$500~~.

10 (Source: P.A. 81-224.)

11 (210 ILCS 5/6) (from Ch. 111 1/2, par. 157-8.6)

12 Sec. 6. Upon receipt of an application for a license, the
13 Director may deny the application for any of the following
14 reasons:

15 (1) Conviction of the applicant, or if the applicant is
16 a firm, partnership or association, of any of its members,
17 or if a corporation, of any of its officers or directors,
18 or of the person designated to manage or supervise the
19 facility, of a felony, or of 2 or more misdemeanors
20 involving moral turpitude, as shown by a certified copy of
21 the record of the court of conviction, or, in the case of
22 the conviction of a misdemeanor by a court not of record,
23 as shown by other evidence, if the Director determines,
24 after investigation, that such person has not been
25 sufficiently rehabilitated to warrant the public trust; or

1 other satisfactory evidence that the moral character of the
2 applicant, or manager, or supervisor of the facility is not
3 reputable;

4 (2) The licensure status or record of the applicant, or
5 if the applicant is a firm, partnership or association, of
6 any of its members, or if a corporation, of any of its
7 officers or directors, or of the person designated to
8 manage or supervise the facility, from any other state
9 where the applicant has done business in a similar capacity
10 indicates that granting a license to the applicant would be
11 detrimental to the interests of the public; or

12 (3) The applicant has insufficient financial or other
13 resources to operate and conduct the facility in accordance
14 with the requirements of this Act and the minimum
15 standards, rules and regulations promulgated thereunder.

16 The Director shall only issue a license if he finds that
17 the applicant facility complies with this Act and the rules,
18 regulations and standards promulgated pursuant thereto and:

19 (a) is under the medical supervision of one or more
20 physicians;

21 (b) permits a surgical procedure to be performed only
22 by a physician, podiatrist or dentist who at the time is
23 privileged to have his patients admitted by himself or an
24 associated physician and is himself privileged to perform
25 surgical procedures in at least one Illinois hospital; and

26 (c) maintains adequate medical records for each

1 patient.

2 A license, unless sooner suspended or revoked, shall be
3 renewable annually upon approval by the Department and payment
4 of a license fee of \$1500 ~~\$300~~. Each license shall be issued
5 only for the premises and persons named in the application and
6 shall not be transferable or assignable. The licenses shall be
7 posted in a conspicuous place on the licensed premises. A
8 placard or registry of all physicians on staff in the facility
9 shall be centrally located and available for inspection to any
10 interested person. The Department may, either before or after
11 the issuance of a license, request the cooperation of the State
12 Fire Marshal. The report and recommendations of this agency
13 shall be in writing and shall state with particularity its
14 findings with respect to compliance or noncompliance with such
15 minimum standards, rules and regulations.

16 The Director may issue a provisional license to any
17 ambulatory surgical treatment center which does not
18 substantially comply with the provisions of this Act and the
19 standards, rules and regulations promulgated by virtue thereof
20 provided that he finds that such ambulatory surgical treatment
21 center will undertake changes and corrections which upon
22 completion will render the ambulatory surgical treatment
23 center in substantial compliance with the provisions of this
24 Act, and the standards, rules and regulations adopted
25 hereunder, and provided that the health and safety of the
26 patients of the ambulatory surgical treatment center will be

1 protected during the period for which such provisional license
2 is issued. The Director shall advise the licensee of the
3 conditions under which such provisional license is issued,
4 including the manner in which the facilities fail to comply
5 with the provisions of the Act, standards, rules and
6 regulations, and the time within which the changes and
7 corrections necessary for such ambulatory surgical treatment
8 center to substantially comply with this Act, and the
9 standards, rules and regulations of the Department relating
10 thereto shall be completed.

11 A person or facility not licensed under this Act or the
12 Hospital Licensing Act shall not hold itself out to the public
13 as a "surgery center" or as a "center for surgery".

14 (Source: P.A. 88-490.)

15 (210 ILCS 5/12.5 new)

16 Sec. 12.5. Ambulatory Surgical Treatment Center Fund. The
17 Department shall deposit all fees and fines collected in
18 relation to the licensure of ambulatory surgical treatment
19 centers into the Ambulatory Surgical Treatment Center Fund, a
20 special fund created in the State Treasury, for the purpose of
21 providing funding for the administration of the licensure
22 program for ambulatory surgical treatment centers.

23 Section 15. The Home Health, Home Services, and Home
24 Nursing Agency Licensing Act is amended by changing Sections 4

1 and 10.05 as follows:

2 (210 ILCS 55/4) (from Ch. 111 1/2, par. 2804)

3 Sec. 4. Types of licenses.

4 (a) If an applicant for licensure has not been previously
5 licensed, or if the home health agency, home services agency,
6 or home nursing agency is not in operation at the time
7 application is made, the Department may issue a provisional
8 license. A provisional license shall be valid for a period of
9 120 days unless sooner suspended or revoked pursuant to Section
10 9 of this Act. Within 30 days prior to the termination of a
11 provisional license, the Department shall inspect the agency
12 and, if the applicant substantially meets the requirements for
13 licensure, it shall issue a license under this Section. If the
14 Department finds that a holder of a provisional license does
15 not substantially meet the requirements for licensure, but has
16 made significant progress toward meeting those requirements,
17 the Director may renew the provisional license once for a
18 period not to exceed 120 days from the expiration date of the
19 initial provisional license.

20 (b) (1) The Director may also issue a provisional license to
21 any licensed agency which does not substantially comply with
22 the provisions of this Act and the rules promulgated hereunder,
23 provided he finds that the health, safety, and well-being of
24 the clients of the agency will be protected during the period
25 for which such provisional license is issued. The term of such

1 provisional license shall not exceed 120 days.

2 (2) The Director shall advise the licensee of the
3 conditions under which such provisional license is issued,
4 including the manner in which the licensee fails to comply with
5 the provisions of the Act or rules, and the time within which
6 the corrections necessary for the agency to substantially
7 comply with the Act and rules shall be completed.

8 (3) The Director, at his discretion, may extend the term of
9 such provisional license for an additional 120 days, if he
10 finds that the agency has made substantial progress toward
11 correcting the violations and bringing the agency into full
12 compliance with this Act and the rules promulgated hereunder.

13 (c) An annual license shall be issued to any person
14 conducting or maintaining a home health agency upon receipt of
15 an application and payment of the licensure fee, and when the
16 other requirements of this Act, and the standards, rules and
17 regulations promulgated hereunder, are met. The fee for each
18 single home health agency license or any renewal shall be \$1500
19 ~~\$25~~.

20 (d) The Department shall establish, by rule, a system
21 whereby an entity that meets the requirements for licensure may
22 obtain licensure singly or in any combination for the
23 categories authorized under this Act. The Department shall
24 develop and implement one application to be used even if a
25 combination of licenses authorized under the Act is sought.
26 Applicants for multiple licenses under this system shall pay

1 the higher of the licensure fees applicable. Fees collected
2 under this system shall be deposited into the Home Health, Home
3 Services, and Home Nursing Agency Licensure Fund ~~Home Care~~
4 ~~Services Agency Licensure Fund~~.

5 (Source: P.A. 94-379, eff. 1-1-06.)

6 (210 ILCS 55/10.05)

7 Sec. 10.05. Home Health, Home Services, and Home Nursing
8 Agency Licensure Fund ~~Home Care Services Agency Licensure Fund~~.

9 The Department shall deposit all fees and fines collected in
10 relation to the licensure of home health agencies, home
11 services agencies, and home nursing agencies into the Home
12 Health, Home Services, and Home Nursing Agency Licensure Fund
13 ~~Home Care Services Agency Licensure Fund~~, a special fund
14 created in the State treasury, for the purpose of providing
15 funding for the administration of the program of home health
16 agencies, home services agency, and home nursing agency
17 licensure.

18 (Source: P.A. 94-379, eff. 1-1-06.)

19 Section 20. The Hospital Licensing Act is amended by
20 changing Sections 5 and 6 and by adding Section 14.5 as
21 follows:

22 (210 ILCS 85/5) (from Ch. 111 1/2, par. 146)

23 Sec. 5. (a) An application for a permit to establish a

1 hospital shall be made to the Department upon forms provided by
2 it. This application shall contain such information as the
3 Department reasonably requires, which shall include
4 affirmative evidence on which the Director may make the
5 findings required under Section 6a of this Act.

6 (b) An application for a license to open, conduct, operate,
7 and maintain a hospital shall be made to the Department upon
8 forms provided by it, accompanied by a license fee of \$50 per
9 bed, and shall contain such information as the Department
10 reasonably requires, which may include affirmative evidence of
11 ability to comply with the provisions of this Act and the
12 standards, rules, and regulations, promulgated by virtue
13 thereof.

14 (c) All applications required under this Section shall be
15 signed by the applicant and shall be verified. Applications on
16 behalf of a corporation or association or a governmental unit
17 or agency shall be made and verified by any two officers
18 thereof.

19 (Source: Laws 1965, p. 2350.)

20 (210 ILCS 85/6) (from Ch. 111 1/2, par. 147)

21 Sec. 6. (a) Upon receipt of an application for a permit to
22 establish a hospital the Director shall issue a permit if he
23 finds (1) that the applicant is fit, willing, and able to
24 provide a proper standard of hospital service for the community
25 with particular regard to the qualification, background, and

1 character of the applicant, (2) that the financial resources
2 available to the applicant demonstrate an ability to construct,
3 maintain, and operate a hospital in accordance with the
4 standards, rules, and regulations adopted pursuant to this Act,
5 and (3) that safeguards are provided which assure hospital
6 operation and maintenance consistent with the public interest
7 having particular regard to safe, adequate, and efficient
8 hospital facilities and services.

9 The Director may request the cooperation of county and
10 multiple-county health departments, municipal boards of
11 health, and other governmental and non-governmental agencies
12 in obtaining information and in conducting investigations
13 relating to such applications.

14 A permit to establish a hospital shall be valid only for
15 the premises and person named in the application for such
16 permit and shall not be transferable or assignable.

17 In the event the Director issues a permit to establish a
18 hospital the applicant shall thereafter submit plans and
19 specifications to the Department in accordance with Section 8
20 of this Act.

21 (b) Upon receipt of an application for license to open,
22 conduct, operate, and maintain a hospital, the Director shall
23 issue a license if he finds the applicant and the hospital
24 facilities comply with standards, rules, and regulations
25 promulgated under this Act. A license, unless sooner suspended
26 or revoked, shall be renewable annually upon approval by the

1 Department and payment of a license fee of \$50 per bed. Each
2 license shall be issued only for the premises and persons named
3 in the application and shall not be transferable or assignable.
4 Licenses shall be posted in a conspicuous place on the licensed
5 premises. The Department may, either before or after the
6 issuance of a license, request the cooperation of the State
7 Fire Marshal, county and multiple county health departments, or
8 municipal boards of health to make investigations to determine
9 if the applicant or licensee is complying with the minimum
10 standards prescribed by the Department. The report and
11 recommendations of any such agency shall be in writing and
12 shall state with particularity its findings with respect to
13 compliance or noncompliance with such minimum standards,
14 rules, and regulations.

15 The Director may issue a provisional license to any
16 hospital which does not substantially comply with the
17 provisions of this Act and the standards, rules, and
18 regulations promulgated by virtue thereof provided that he
19 finds that such hospital has undertaken changes and corrections
20 which upon completion will render the hospital in substantial
21 compliance with the provisions of this Act, and the standards,
22 rules, and regulations adopted hereunder, and provided that the
23 health and safety of the patients of the hospital will be
24 protected during the period for which such provisional license
25 is issued. The Director shall advise the licensee of the
26 conditions under which such provisional license is issued,

1 including the manner in which the hospital facilities fail to
2 comply with the provisions of the Act, standards, rules, and
3 regulations, and the time within which the changes and
4 corrections necessary for such hospital facilities to
5 substantially comply with this Act, and the standards, rules,
6 and regulations of the Department relating thereto shall be
7 completed.

8 (Source: P.A. 80-56.)

9 (210 ILCS 85/14.5 new)

10 Sec. 14.5. Hospital Licensure Fund. The Department shall
11 deposit all fees and fines collected in relation to the
12 licensure of hospitals into the Hospital Licensure Fund, a
13 special fund created in the State Treasury, for the purpose of
14 providing funding for the administration of the licensure
15 program for hospitals.

16 Section 99. Effective date. This Act takes effect upon
17 becoming law.